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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/868,698	01/14/2002	Alexander Zorba	05222.00151	3253

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EXAMINER	
TRAN, MAI T	
ART UNIT	**PAPER NUMBER**
2129	

SHORTENED STATUTORY PERIOD OF RESPONSE	MAIL DATE	DELIVERY MODE
3 MONTHS	03/26/2007	PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.

Office Action Summary	Application No.	Applicant(s)	
	09/868,698	ZORBA ET AL.	
	Examiner	Art Unit	
	Mai T. Tran	2129	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *09 January 2007*.

2a)☐ This action is **FINAL**. 2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-20* is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-20* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☐ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☒ Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date *010907*.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____.
5) ☐ Notice of Informal Patent Application
6) ☐ Other: _____.

DETAILED ACTION

A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicants' submission filed on January 9, 2007 has been entered.

Claims 1, 10, and 19 have been amended. No new claims have been added. Claims 1-20 remain pending in the application and which have been fully considered by the examiner.

CLAIM OBJECTIONS

Claim **10** is objected to because of the following informalities:

- The substeps (e)(i), (e)(ii), (e)(iii) in step (g) are incorrectly labeled.

Appropriate correction is required.

CLAIM REJECTIONS - 35 USC § 101

35 U.S.C. 101 reads as follows:

> Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims **1-20** are rejected under 35 U.S.C. § 101 because the claimed invention is directed to non-statutory subject matter.

Claims directed to nothing more than abstract ideas (such as mathematical algorithms, software per se), natural phenomena, and laws of nature are not eligible for patent protection. While abstract ideas, natural phenomena, and laws of nature are not eligible for patenting,

methods and products employing abstract ideas, natural phenomena, and laws of nature to perform **a real-world function** may well be (MPEP, 2106).

In the present case, the claimed invention is not eligible for patent protection because it has not been limited to a substantial practical application of a 35 U.S.C. 101 judicial exception. A mere abstraction is useless in a real world situation.

The claimed invention must be for a practical application by:

1. transforming (physical thing) or
2. having the FINAL RESULT (not the steps) achieve or produce a

useful (specific, substantial, AND credible)

concrete (substantially repeatable/non-unpredictable), AND

tangible (real world/non-abstract) result.

A claim that is so broad that it reads on both statutory and non-statutory subject matter, must be amended, and if the specification discloses a practical application but the claim is broader than the disclosure such that it does not require the practical application, then the claim must be amended.

The courts have also held that a claim may not preempt ideas, laws of nature or natural phenomena. The concern over preemption was expressed as early as 1852. See Le Roy v. Tatham, 55 U.S. (14 How.) 156, 175 (1852) ("A principle, in the abstract, is a fundamental truth; an original cause; a motive; these cannot be patented, as no one can claim in either of them an exclusive right."); Funk Bros. Seed Co. v. Kalo Inoculant Co., 333 U.S. 127, 132, 76 USPQ 280, 282 (1948).

Accordingly, one may not patent every "substantial practical application" of an idea, law of nature or natural phenomena because such a patent "in practical effect would be a patent on the [idea, law of nature or natural phenomena] itself." "Here the "process" claim is so abstract and sweeping as to cover both known and unknown uses of the BCD to pure-binary conversion. The end use may (1) vary from the operation of a train to verification of drivers' licenses to researching the law books for precedents and (2) be performed through any existing machinery or future-devised machinery or without any apparatus." Gottschalk v. Benson, 409 U.S. 63, 71-72, 175 USPQ 673, 676 (1972).

Specifically, independent claims 1, 10, and 19 are merely a manipulation of abstract ideas i.e. mathematical algorithms and/or software per se. Applicants cite no such specific results to produce a useful, concrete and tangible result. The limitations set forth in claims 1, 10, and 19 "receiving an accounting goal", "partitioning feedback into a plurality of feedback ...", "querying a student ...", "integrating information ...", "evaluating progress ... category", " dynamically adjusting a selected level ... goal" are simply an abstract construct that does not produce a useful, concrete and tangible result.

Any claim not specifically addressed, above, is being rejected as incorporating the deficiencies of a claim upon which it depends.

The Examiner reads the claims carefully to search for limitations to practical applications and finds no final result achieved or produced a useful, concrete and tangible result.

CLAIM REJECTIONS - 35 USC § 112

The following is a quotation of the first paragraph of 35 U.S.C. 112:

> The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

Claims **1-20** are rejected under 35 U.S.C. §112, first paragraph because current case law (and accordingly, the MPEP) require such a rejection if a §101 rejection is given because when Applicant has not in fact disclosed the practical application for the invention, as a matter of law there is no way Applicant could have disclosed *how* to practice the *undisclosed* practical application. This is how the MPEP puts it:

> ("The how to use prong of section 112 **incorporates as a matter of law** the requirement of 35 U.S.C. §101 that the specification disclose as a matter of fact a practical utility for the invention.... If the application fails as a matter of fact to satisfy 35 U.S.C. §101, then the application **also fails as a matter of law** to enable one of ordinary skill in the art to use the invention under 35 U.S.C. §112."); In re Kirk, 376 F.2d 936, 942, 153 USPQ 48, 53 (CCPA 1967) ("Necessarily, compliance with § 112 requires a description of how to use presently useful inventions, **otherwise an applicant would anomalously be required to teach how to use a useless invention.**") See, MPEP 2107.01(IV), quoting In re Kirk (emphasis added).

Therefore, claims 1-20 are rejected on this basis. Since the claimed invention fails to satisfy 35 U.S.C § 112, first paragraph, there is no reduction to practice.

CLAIM REJECTIONS - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

The factual inquiries set forth in *Graham* **v.** *John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

This application currently names joint inventors. In considering patentability of the claims under 35 U.S.C. 103(a), the examiner presumes that the subject matter of the various claims was commonly owned at the time any inventions covered therein were made absent any evidence to the contrary. Applicant is advised of the obligation under 37 CFR 1.56 to point out the inventor and invention dates of each claim that was not commonly owned at the time a later invention was made in order for the examiner to consider the applicability of 35 U.S.C. 103(c) and potential 35 U.S.C. 102(e), (f) or (g) prior art under 35 U.S.C. 103(a).

Claims **1-20** are rejected under 35 U.S.C. 103(a) as being unpatentable over Loftin et al, U. S. Patent No. 5,311,422, hereinafter Loftin, and further in view of "Accounting and Financial Fundamentals for Non Financial Executives" by Robert Rachlin et al, hereinafter Rachlin.

Claim 1

Loftin discloses an intelligent computer-aided training system for use in a wide variety of training tasks and environments,

a method for creating a presentation, comprising the steps of:

(a) receiving an accounting goal (*col. 6, lines 46-52*);

(b) partitioning feedback into a plurality of feedback levels, each feedback level corresponding to a severity level of a response error, the feedback being associated with

the accounting goal (*col. 13, lines 54-68, col. 14, lines 1-18. Examiner interprets appropriate error messages as plurality of feedback levels*);

(c) querying a student to determine characteristics of the student (*col. 14, lines 48-61*);

(d) integrating information based on the characteristics of the student that motivates accomplishment of the accounting goal (*col. 16, lines 23-25*);

(e) evaluating progress toward the goal (*col. 6, lines 55-59*) and providing a determined feedback having a feedback category (*col. 12, lines 57-65, col. 14, lines 5-6. Examiner interprets diagnose the nature of the error, and sensitive to the skill level of the trainee as feedback category*) based on an appropriate level of feedback (*col. 14, lines 8-9*) and an appropriate training component (*col. 16, lines 31-43*) that further motivates accomplishment of the accounting goal (*col. 6, lines 55-59*), the appropriate level of feedback being selected from the plurality of feedback levels based on an error severity of an associated response from the student (*col. 14, lines 8-16*), the appropriate training component being selected from a plurality of training components and based on an amount of work contained in the associated response (*col. 16, lines 31-43*), and further comprising:

(e)(i) determining the type of the feedback category for the associated response (*col. 9, line 67, col. 10, line 1*);

(e)(ii) when the feedback category corresponds to an administrative category, instructing the student to provide a sufficient amount of work to assess a subsequent response (*col. 12, lines 57-65. Examiner asserts diagnose the nature of the error to read on administrative category*); and

(e)(iii) when the feedback category corresponds to an educational category, assessing the associated response in accordance with the educational category (*col. 14, lines 5-6. Examiner asserts sensitive to the skill level of the trainee to read on educational category*); and

(f) dynamically adjusting a selected level of feedback based on the progress of the student toward the accounting goal (*col. 14, lines 23-38*).

Claim 9

Loftin discloses a method for creating an accounting goal based presentation as recited in claim 1, including the step of adjusting an example based on student progress (*col. 10, lines 7-15*).

Claim 10

Loftin discloses an apparatus that creates a presentation, comprising:

(a) a processor. Official notice is taken that processor or Central Processing Unit is the brain of the computer;

(b) a memory that stores information under the control of the processor. Official notice is taken that every computer comes with a certain amount of memory;

(c) logic that receives an accounting goal (*col. 6, lines 46-52*);

(d) logic that partitions feedback into a plurality of feedback levels, each feedback level corresponding to a severity level of a response error, the feedback being associated with the accounting goal (*col. 13, lines 54-68, col. 14, lines 1-18. Examiner interprets appropriate error messages as plurality of feedback levels*);

(e) logic that queries a student to determine characteristics of the student (*col. 14, lines 48-61*) ;

(f) logic that integrates information based on the characteristics of the student that motivates accomplishment of the accounting goal (*col. 16, lines 23-25*);

(g) logic that evaluates progress toward the goal (*col. 6, lines 55-59*) and provides a determined feedback having a feedback category (*col. 12, lines 57-65, col. 14, lines 5-6. Examiner interprets diagnose the nature of the error, and sensitive to the skill level of the trainee as feedback category*) based on an appropriate level of feedback (*col. 14, lines 8-9*) and an appropriate training component (*col. 16, lines 31-43*) that further motivates accomplishment of the accounting goal (*col. 6, lines 55-59*), the appropriate level of feedback being selected from the plurality of feedback levels based on an error severity of an associated response from the student (*col. 14, lines 8-16*), the appropriate training component being selected from a plurality of training components and based on an amount of work contained in the associated response (*col. 16, lines 31-43*) and further comprising:

(e)(i) determining the type of the feedback category for the associated response (*col. 9, line 67, col. 10, line 1*);

(e)(ii) when the feedback category corresponds to an administrative category, instructing the student to provide a sufficient amount of work to assess a subsequent response (*col. 12, lines 57-65. Examiner asserts diagnose the nature of the error to read on administrative category*); and

(e)(iii) when the feedback category corresponds to an educational category, assessing the associated response in accordance with the educational category (*col. 14, lines 5-6. Examiner asserts sensitive to the skill level of the trainee to read on educational category*); and

(h) logic that dynamically adjusts a selected level of feedback based on the progress of the student toward the accounting goal (*col. 14, lines 23-38*).

Claim 18

Loftin discloses an apparatus that creates a presentation as recited in claim 10, including logic to adjust an example based on student progress (*col. 10, lines 7-15*).

Claim 19

Loftin discloses a computer-readable medium for creating a presentation and having computer-executable instructions to perform the steps comprising:

(a) receiving an accounting goal (*col. 6, lines 46-52*);

(b) partitioning feedback into a plurality of feedback levels, each feedback level corresponding to a severity level of a response error, the feedback being associated with the accounting goal (*col. 13, lines 54-68, col. 14, lines 1-18. Examiner interprets appropriate error messages as plurality of feedback levels*);

(c) querying a student to determine characteristics of the student (*col. 14, lines 48-61*);

(d) integrating information based on the characteristics of the student that motivates accomplishment of the accounting goal (*col. 16, lines 23-25*);

(e) evaluating progress toward the goal (*col. 6, lines 55-59*) and providing a determined feedback having a feedback category (*col. 12, lines 57-65, col. 14, lines 5-6. Examiner*

interprets diagnose the nature of the error, and sensitive to the skill level of the trainee as feedback category) based on an appropriate level of feedback (*col. 14, lines 8-9*) and an appropriate training component (*col. 16, lines 31-43*) that further motivates accomplishment of the accounting goal (*col. 6, lines 55-59*), the appropriate level of feedback being selected from the plurality of feedback levels based on an error severity of an associated response from the student (*col. 14, lines 8-16*), the appropriate training component being selected from a plurality of training components and based on an amount of work contained in the associated response (*col. 16, lines 31-43*) and further comprising:

(e)(i) determining the type of the feedback category for the associated response (*col. 9, line 67, col. 10, line 1*);

(e)(ii) when the feedback category corresponds to an administrative category, instructing the student to provide a sufficient amount of work to assess a subsequent response (*col. 12, lines 57-65. Examiner asserts diagnose the nature of the error to read on administrative category*); and

(e)(iii) when the feedback category corresponds to an educational category, assessing the associated response in accordance with the educational category (*col. 14, lines 5-6. Examiner asserts sensitive to the skill level of the trainee to read on educational category*); and

(f) dynamically adjusting a selected level of feedback based on the progress of the student toward the accounting goal (*col. 14, lines 23-38*).

Claim 20

Loftin discloses the computer-readable medium of claim 19, containing further computer-executable instructions for:

(g) monitoring answers to questions posed to evaluate the progress toward the accounting goal (col. 14, lines 35-38); and

(h) generating individualized coaching messages that further motivate accomplishment of the accounting goal (col. 14, lines 7-9).

Loftin fails to particularly call for an accounting goal based presentation, as specified in claims 1, 10, and 19; debit processing material being integrated into a presentation, as specified in claims 2 and 11; credit processing material being integrated into a presentation, as specified in claims 3 and 12; closing material being integrated into a presentation, as specified in claims 4 and 13; ledger processing material being integrated into a presentation, as specified in claims 5 and 14; t-account processing material being integrated into a presentation, as specified in claims 6 and 15; multiple account processing material being integrated into a presentation, as specified in claims 7 and 16; and asset processing material being integrated into a presentation, as specified in claims 8 and 17.

Rachlin teaches the basic accounting and financial concepts calling for an accounting goal based presentation (page ix, line 5), as specified in claims 1, 10, and 19; debit processing material is integrated into the presentation (page 65, line 15), as specified in claims 2 and 11; credit processing material is integrated into the presentation (page 65, line 16), as specified in claims 3 and 12; closing material is integrated into the presentation (page 71, line 11), as

specified in claims 4 and 13; ledger processing material is integrated into the presentation (page 70, line 11), as specified in claims 5 and 14; t-account processing material is integrated into the presentation (page 65, line 17), as specified in claims 6 and 15; multiple account processing material is integrated into the presentation, as specified in claims 7 and 16; asset processing material is integrated into the presentation (page 15, line 5), as specified in claims 8 and 17;

Regarding claim 7, Official notice is taken that accounting system comprises a plurality of accounts.

Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to combine Loftin in view of Rachlin in order to accommodate a specific need i.e., teaching accounting. Applicants have merely taken a known subject and adapted to be taught using a computer, which Loftin discloses broadly that computers can be used to teach subjects.

RESPONSE TO ARGUMENTS

Applicants' arguments filed have been fully considered but they are not persuasive. Specifically, applicants argue that:

Rejection under 35 U.S.C. § 103

Argument 1

> However, Loftin merely discloses an error severity level that is based on the characteristics of the trainee and not on the response from the trainee. The Office Action also alleges that Loftin discloses "the appropriate training component being selected from a plurality of training components and based on an amount contained in the associated response" (Emphasis added) ... Loftin merely discloses material that is presented to the trainee is based on the experience of the trainee and not on the response from the trainee.

Loftin teaches an intelligent **computer-aided** training system (col. 4, line 53) and both a trainee and an evaluator can access the trainee model, which is a module of the intelligent computer-aided training system. Trainee's actions i.e. response as Applicants called it are completely accomplished through menu interaction, while other require the input of one or more parameters **using the computer's keyboard**. Loftin also teaches the detail and tone of error messages are chosen to match the current trainee. For example, an error made by a trainee who is using the system for the first time may require a verbose explanation to make certain that the new trainee will have all the knowledge and concepts needed to proceed with the training session (co. 14, lines 7-16). Therefore, Loftin **does not merely discloses** an error severity level that is based on the characteristics of the trainee but based on the action, or input, or response from the trainee using the computer's keyboard and yes this response was triggered by the level or the characteristics as Applicants called it of the trainee (emphasis added).

CONCLUSION

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Mai T. Tran whose telephone number is (571) 272-4238. The examiner can normally be reached on M-F 9:00am-- 5:30pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, David Vincent can be reached on 571-272-3080. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

M.T.T
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